

















<u>BALANCE SHEET AT 30 JUNE 2005</u>			
	NOTE	2005 R	2004 R
<u>CAPITAL EMPLOYED</u>			
Funds and Reserves		113 115 189	122 035 390
Statutory funds	1  E.5.1	113 322 284	121 245 167
Reserves	2  E.6.1	(207 095)	790 223
Retained Surplus (Accumulated Deficit)	17  E.11.1	(117 069 440)	(91 595 999)
		(3 954 251)	30 439 391
Trust Funds	3  E.6.1	2 811 799	2 754 366
Long Term Liabilities	4  E.8.1	57 154 748	59 631 618
Consumer Deposits: Services	5  E.10.1	7 671 517	5 906 609
		63 683 813	98 731 984
<u>EMPLOYMENT OF CAPITAL</u>			
Fixed Assets	6  D.2.1	155 218 229	156 192 045
Investments	7  E.3.1	44 489 941	41 939 650
Long term Debtors	8  E.4.1	11 958 675	11 767 358
		211 666 845	209 899 053
Net Current Assets/(Liabilities)		(147 983 032)	(111 167 069)
Current Assets		325 830 747	201 578 517
Stock	9  D.3.1	4 206 787	4 079 160
Debtors	10  A.4.1	266 783 998	104 516 047
Short-term Investments	7  E.3.1	48 702 404	78 751 042
Short-term portion of long-term debtors	8  E.4.1	3 045 777	3 139 354
Cash on hand and at bank	23	3 091 781	11 092 914
		(473 813 779)	(312 745 586)
Current Liabilities			
Provisions	11  E.9.1	2 051 862	2 135 997
Creditors	12  B.3.1	200 184 331	69 112 227
Loans: Short term portion of long-term loans	4  E.8.1	259 456 552	237 072 934
Bank Overdraft	23	12 121 034	4 424 428
		63 683 813	98 731 984

<u>INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2005</u>							
2004 ACTUAL INCOME R	2004 ACTUAL EXPENDITURE R	2004 SURPLUS/ (DEFICIT) R		2005 ACTUAL INCOME R	2005 ACTUAL EXPENDITURE R	2005 SURPLUS/ (DEFICIT) R	2005 BUDGETED SURPLUS/ (DEFICIT) R
146 995 092	128 161 924	18 833 168	RATES AND GENERAL SERVICES	163 668 815	149 593 575	14 075 240	(11 734 799)
101 967 080	74 111 302	27 855 778	Community Services	117 361 451	89 735 932	27 625 519	20 001 965
2 225 616	20 780 785	(18 555 169)	Subsidised Services	2 711 269	23 096 778	(20 385 509)	(30 158 595)
42 802 396	33 269 837	9 532 559	Economic Services	43 596 095	36 760 865	6 835 230	(1 578 169)
			OTHER SERVICES				
0	1 023 398	(1 023 398)	Housing Services	0	1 145 414	(1 145 414)	(1 539 940)
154 371 060	151 319 649	3 051 411	Trading Services	163 751 545	182 056 591	(18 305 046)	13 307 572
301 366 152	280 504 971	20 861 181	TOTAL	327 420 360	332 795 580	(5 375 220)	32 833
		(29 037 329)	Appropriations for the year (Refer to note 17)			(20 098 221)	
		(8 176 148)	Net Surplus/(Deficit) for the year			(25 473 441)	
		(83 419 851)	Accumulated Surplus/(Deficit) at the beginning of the year			(91 595 999)	
		(91 595 999)	Accumulated Surplus/(Deficit) at the end of the year			(117 069 440)	

*(Refer to appendices D and E for more detail)

<u>CASH FLOW STATEMENT ON 30 JUNE 2005</u>			
	NOTE	2005 R	2004 R
CASH RETAINED FROM OPERATING ACTIVITIES:		4 223 700	31 897 678
- Cash generated by operations	18	138 222 872	(10 457 543)
- Investment income	16	4 016 648	1 112 535
- (Increase)/Decrease in working capital	19	(131 526 412)	(33 206)
- Less: External interest paid	16	(6 489 408)	(10 774 563)
Cash available from operations		4 223 700	(20 152 777)
Nett proceeds on disposal of fixed assets	6		6 274 379
Cash contributions from public and government			45 776 076
CASH UTILISED IN INVESTING ACTIVITIES			
Investment in fixed assets	6	(68 993 702)	(60 259 809)
Increase in long-term debtors		(97 740)	0
NET CASH FLOW		(64 867 742)	(28 362 131)
CASH EFFECTS OF FINANCING ACTIVITIES:			
Increase/(Decrease) in long-term loans	20	19 906 748	(112 278 295)
Increase/(Decrease) in consumer deposits	5	1 764 908	0
(Increase)/Decrease in cash investments	22	27 498 347	119 468 226
(Increase)/Decrease in cash	23	15 697 739	21 172 200
NET CASH (GENERATED)/UTILISED		64 867 742	28 362 131

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
1. <u>STATUTORY FUNDS</u>		
Capital Development Fund	72 018 309	47 163 823
Endowment Fund	-	8 604 052
Land Trust Fund	1 148 918	5 686 959
Township Development Fund	26 390 819	42 168 765
Bursary Loan Fund	234 528	234 528
Loan Redemption Fund	13 529 710	17 387 040
(Refer to Appendix A for more detail)	<u>113 322 284</u>	<u>121 245 167</u>
2. <u>RESERVES</u>		
Housing Schemes	16 006	16 006
Books Lost	5 704	5 704
Working Capital	208 507	208 507
Assistance to Indigents	(437 312)	560 006
(Refer to Appendix A for more detail)	<u>(207 095)</u>	<u>790 223</u>
3. <u>TRUST FUNDS</u>		
Grants Fund	2 811 799	2 754 366
(Refer to Appendix A for more detail)	<u>2 811 799</u>	<u>2 754 366</u>

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	INTEREST RATES %	PERIODS (YEARS)	2005 R	2004 R
4. <u>LONG-TERM LIABILITIES</u>				
Local Registered Stock	16.25 - 17.90	11 - 20	23 000 000	23 679 000
Development Bank of South Africa	15.00	15	35 201 299	37 431 585
Development Bank of S.A. (Local Authorities Loan Fund)	10.05 - 17.95	10 - 25	1 938 622	2 256 333
Investec Employees Benefits Limited	16.75			6 389 786
			60 139 921	69 756 704
Plus: Venture Capital (Public Investment Corporation)	12.47 - 13.27	Call	256 471 379	226 947 848
<u>Total long-term liabilities</u>			316 611 300	296 704 552
Less: Portion transferred to current liabilities			(259 456 552)	(237 072 934)
Short-Term Loans			256 471 379	226 947 848
Annuity Loans and Zero Coupons			2 985 173	9 446 086
Local Registered Stock			-	679 000
(Refer to Appendix B for more detail)			<u>57 154 748</u>	<u>59 631 618</u>
<u>Investments ceded as collateral security for the above mentioned outstanding external loans</u>			Investments Ceded 2005 R	Outstanding Loans 2005 R
Investments ceded to: The Public Investment Commissioners			1,480,741	256,471,379
Investments ceded to: Development Bank of South Africa			15,594,754	35,201,299
Investments ceded to: I.N.C.A.			7,366,060	16,000,000
Investments ceded to: Other Local Registered Stock			6,163,650	7,000,000
			<u>30,605,205</u>	<u>314,672,678</u>

<u>NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005</u>		
	2005 R	2004 R
5. <u>CONSUMER DEPOSITS - SERVICES</u>		
Electricity and Water	7 671 517	5 906 609
Guarantees in lieu of electricity and water deposits	903 590	974 932
6. <u>FIXED ASSETS</u>		
Fixed assets at the beginning of the year	624 532 438	570 547 008
Capital expenditure and transferred during the year	70 230 320	60 259 809
Less: Assets written off, transferred or disposed of during the year	(6 414 735)	(6 274 379)
Total Fixed Assets	688 348 023	624 532 438
Less: Loans Redeemed and other Capital Receipts	(533 129 794)	(468 340 393)
Net Fixed Assets	155 218 229	156 192 045
No assets were donated to Council. (Refer to Appendix C and section 2 of the Chief Financial Officer's Report for more details on fixed assets)		

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
7. <u>INVESTMENTS</u>		
Listed Investments		
Government Stock	3,000,000	5,470,000
Sanlam Stock	20,262,019	15,187,885
Old Mutual Stock	846,800	687,300
	24,108,819	21,345,185
Unlisted Investments		
Long-term investments (Insurance)	8,740,219	7,885,024
Short-term deposits	45,702,404	78,751,042
Long-term deposits	14,640,903	12,709,441
	69,083,526	99,345,507
Total Investments	93,192,345	120,690,692
Market value of listed investments and management's valuation of unlisted investments.		
Listed Investments	<u>24,108,819</u>	<u>21,345,185</u>
Unlisted Investments	<u>69,083,526</u>	<u>99,345,507</u>
Average rate of return on investments (gross)	<u>6.432%</u>	<u>8,052%</u>
<p>Council adopted an Investment Policy on the investment of surplus funds.</p> <p>Investments amounting to R30 605 205 have been pledged as security for external loans totaling R314 672 678. (Refer to Note 4 for more details).</p> <p>The value of Council's Sanlam and Old Mutual shares increased with R5 233 634 from 1 July 2004 to 30 June 2005 compared to the increase of R3 153 013 from 1 July 2003 to 30 June 2004. No shares were sold during this period.</p>		

<u>NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005</u>		
	2005 R	2004 R
8. <u>LONG-TERM DEBTORS</u>		
Loans	6,312,291	5,990,459
Old Balances	8,692,161	8,916,253
	15,004,452	14,906,712
Less: Short-term portion of long-term debtors transferred to current assets	3,045,777	3,139,354
	11,958,675	11,767,358
9. <u>STOCK</u>		
Consumable Stock	3,443,378	3,242,922
Nursery Stock	763,409	836,238
	4,206,787	4,079,160
10. <u>DEBTORS</u>		
Current Debtors (Consumers and other)	397,281,567	134,810,678
Less: Provision for bad debts	130,497,569	30,294,631
	266,783,998	104,516,047
No bad debts were written off.		
11. <u>PROVISIONS</u>		
Leave Payments	2,051,862	2,051,862
Valuations	0	84,135
	2,051,862	2,135,997

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

		2005 R	2004 R
12. <u>CREDITORS</u>			
Other Debtors:		721,631	6,908,326
Clearance Moneys		321,596	
Trade Creditors		18,353,476	17,986,381
Interest		974	
Audit Fees			
Amounts paid in advance by consumers		2,773,082	
Deposits		158,754	282,780
Suspense		177,854,818	43,934,740
		200,184,331	69,112,227
	SITE VALUATIONS AS AT 1/7/2004	ACTUAL INCOME 2005	ACTUAL INCOME 2004
13. <u>ASSESSMENT RATES</u>			
Residential		Not Available	25,939,175
Commercial		Not Available	14,594,774
Other		Not Available	7,468,044
The total "Actual Income" for the 2004/2005 is correct. The "Site Valuations" per category and the "Actual Income" per category can not be obtained by means of a report.			
		61,158,578	48,001,993
Valuation on land are performed every four years but can be extended for not more than one financial year at a time, subject to approval.			
The last general valuation for the former Brits TLC came into effect on 1 July 2000. The basic rate for 2004/2005 was 22,242c per Rand on land only.			
The last general valuation for the former Hartbeespoort TLC came into effect on 1 July 2001. The basic rate for 2004/2005 was 4,533c per Rand on land only.			
The last general valuation for the former Mooiooi is unknown. The basic rate for 2004/2005 was 7,700c per Rand on land only.			

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
14. <u>COUNCILOR'S REMUNERATION</u>		
Mayor's Allowance	220,576	208,091
Deputy Mayor's Allowance		
Speaker's Allowance	176,641	166,473
Councilor's Allowance	2,374,471	2,417,770
Mayoral Committee Allowances	1,654,330	1,520,690
Councilor's Pension Contributions	531,833	490,221
Councilor's Medical Aid Contributions	324,675	321,065
Councilor's Use of Personal Facilities Allowances	141,143	134,636
Councilor's Cellphone Allowances	1,096,913	536,118
Councilor's Travelling Allowances	1,106,043	1,050,810
Councilor's Housing Allowances	474,177	412,048
	8,100,802	7,257,922
15. <u>AUDITOR'S REMUNERATION</u>		
Audit Fees	592,448	575,902
16. <u>FINANCE TRANSACTIONS</u>		
Total external interest earned or paid:		
- Interest earned	4,016,648	1,112,535
- Interest paid	6,489,408	10,774,563
Capital charges debited to operating account:		
Interest		
- External	6,489,408	10,774,563
- Internal	440,248	191,362
Redemption		
- External	4,323,616	8,399,663
- Internal	4,640,746	3,681,001
	15,894,018	23,046,589

<u>NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005</u>		
	2005 R	2004 R
17. <u>APPROPRIATIONS</u>		
Appropriation Account		
Accumulated surplus/(deficit) at the beginning of the year	(91,595,999)	(83,419,851)
- Rate and General Services	(92,531,857)	(83,665,873)
- Regional Dumping Site	935,858	246,022
Operating Surplus/(Deficit) for the year	(5,375,220)	20,861,181
- Rate and General Services	(5,215,516)	20,171,345
- Regional Dumping Site	(159,704)	689,836
Prior and current year adjustments	(20,098,221)	(29,037,329)
- Rate and General Services	(20,098,221)	(29,037,329)
- Regional Dumping Site		
Accumulated surplus/(deficit) at the end of the year	(117,069,440)	(91,595,999)
- Rate and General Services	(117,845,594)	(92,531,857)
- Regional Dumping Site	776,154	935,858

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
17. <u>APPROPRIATIONS (CONTINUED)</u>		
Operating Account		
Capital Expenditure	1,592,564	1,200,347
Contributions to:	106,540,089	6,857,184
- Bursary Loan Fund		24,000
- Assistance to Indigents	6,240,000	5,760,000
- Provision for Leave Payments		842,454
- Capital Replacement Reserve		
- Loan Redemption Fund	97,151	230,730
- Provision for Bad Debts	100,202,938	
	108,132,653	8,057,531

CURRENT AND PRIOR YEAR ADJUSTMENTS

Difference between interest capitalised on external investments and interest capitalised on external loans (Venture Capital) R25 558 275.

Balances of water debtors on 30 June 2005 (Water supplied to consumers on behalf of Council, by Sandspruit Water (ODI) R96 145 040 (-)

Provision for bad debts increased R100 202 938.

Nursery stock decreased R72 829.

Sundry adjustments (Net) R1 308 265.

Amount credited against the Accumulated Deficit Account (Vote number 6060/H960/0000) on 1 April 2005 and debited against the Trading Creditors Account (Vote Number 9210/H930/0000). The reason for passing the entry is unknown R10 899 046 (-).

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005		
	2005 R	2004 R
18. CASH GENERATED BY OPERATIONS		
Surplus/(Deficit) for the year	(5,375,220)	20,861,181
Adjustments I.r.o. current and previous years' transactions	(20,098,221)	(29,037,329)
Appropriations charged against income	108,132,653	8,057,531
- Statutory Funds	97,151	254,730
- Provisions	100,202,938	842,454
- Reserves	6,240,000	5,760,000
- Fixed Assets	1,592,564	1,200,347
Capital Charges	11,877,370	23,046,589
Interest paid:		
- To internal funds	440,248	191,362
- On external loans	6,489,408	10,774,563
Interest received	(4,016,648)	
Redemption		
- Of internal advances	4,640,746	3,681,001
- Of external loans	4,323,616	8,399,663
Investments written off (Refer to Note 7)		(1,112,535)
Assets ex grants - (Grants outstanding at year end - Transferred to Debtors)	58,970,344	
Non-operating income:	84,951,283	65,542,479
- Statutory Funds	32,376,345	19,675,491
- Reserves		3,300
- Trust Funds	52,574,938	45,863,688
- Provisions		
Non-operating expenditure charged against:	(100,235,337)	(97,815,459)
- Statutory Funds	40,396,379	20,720,534
- Reserves	7,237,318	12,711,956
- Trust Funds	52,517,505	57,018,322
- Provisions	84,135	96,717
- Other		7,267,930
	138,222,872	(10,457,543)

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
19. <u>(INCREASE)/DECREASE IN WORKING CAPITAL</u>		
(Increase)/Decrease in stock	(127,627)	(432,202)
(Increase)/Decrease in debtors	(262,470,889)	(20,432,117)
Increase/(Decrease) in creditors	131,072,104	20,831,113
	(131,526,412)	(33,206)
20. <u>INCREASE/(DECREASE) IN LONG-TERM EXTERNAL LOANS</u>		
Loans raised	29,523,531	26,121,368
Loans repaid	(9,616,783)	(138,399,663)
	19,906,748	(112,278,295)
21. <u>(INCREASE)/DECREASE IN EXTERNAL CASH INVESTMENTS</u>		
Balance at the beginning of the year	120,690,692	240,158,918
Less: Balance at the end of the year	93,192,345	120,690,692
	27,498,347	119,468,226
22. <u>(INCREASE)/DECREASE IN CASH ON HAND</u>		
Balance at the beginning of the year	6,668,486	27,840,686
Less: Balance at the end of the year	(9,029,253)	6,668,486
	15,697,739	21,172,200

<u>NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005</u>		
	2005 R	2004 R
23. <u>RETIREMENT BENEFITS</u> Councillors are members of the Municipal Councillors Pension Fund and personnel are members of one of the following funds: (I) Joint Municipal Pension Fund, (ii) Municipal Workers Pension Fund, or (iii) Municipal Gratuity Fund. The last actuarial valuation of the pension funds was done on 30 June 2004. No serious deficiency was disclosed by this valuation.		
24. <u>CONTINGENT LIABILITIES AND CONTRACTUAL OBLIGATIONS</u> No contingent liabilities or contractual obligations existed at 30 June 2005.		
25. <u>CAPITAL COMMITMENTS</u> No commitments in terms of capital expenditure existed at 30 June 2005.		
26. <u>CAPITAL DEVELOPMENT FUND</u> Accumulated Fund Less: Outstanding advances to borrowing services (Refer to Appendix B for more detail)		
	72,018,309	32,185,049
	37,627,986	15,898,316
	34,390,323	16,286,733
27. <u>LAND TRUST FUND</u> Accumulated Fund Less: Outstanding advances to borrowing services (Refer to Appendix B for more detail)		
	1,148,918	5,057,227
	305,386	804,933
	843,532	4,252,294

APPENDIX A
STATUTORY FUNDS, TRUST FUNDS, RESERVES AND PROVISIONS

	BALANCE AT 30/6/04	CONTRI- BUTIONS	INTEREST	OTHER INCOME	EXPENDITURE		BALANCE AT 30/6/05
					Ordinary	Capital	
<u>STATUTORY FUNDS</u>	R	R	R	R	R	R	R
Capital Development Fund	47,163,823	-	3,517,147	21,337,339	-	-	72,018,309
Endowment Fund	8,604,052	-	-	4,509,123	13,113,175	-	-
Land Trust Fund	5,686,959	-	4,609	450,000	4,992,650	-	1,148,918
Township Development Fund	42,168,765	-	-	257,713	16,035,659	-	26,390,819
Bursary Loan Fund	234,528	-	-	-	-	-	234,528
Loans Redemption Fund	17,387,040	97,151	1,630,884	679,000	6,264,365	-	13,529,710
TOTAL: STATUTORY FUNDS	121,245,167	97,151	5,152,640	27,233,175	40,405,849		113,322,284
<u>TRUST FUNDS</u>							
Grants Fund	2,754,366	52,545,528	7,414	21,996	6,190,115	46,327,390	2,811,799
TOTAL: TRUST FUNDS	2,754,366	52,545,528	7,414	21,996	6,190,115	46,327,390	2,811,799
<u>PROVISIONS</u>							
Leave Payments	2,051,862	-	-	-	-	-	2,051,862
Valuations	84,135	-	-	-	84,135	-	-
TOTAL: PROVISIONS	2,135,997				84,135		2,051,862
<u>RESERVES</u>							
Housing Development Account	16,006	-	-	-	-	-	16,006
Books Lost (Libraries)	5,704	-	-	-	-	-	5,704
Working Capital	208,507	-	-	-	-	-	208,507
Assistance to Indigents	560,006	6,240,000	-	-	7,237,318	-	-437,312
TOTAL: RESERVES	790,223	6,240,000			7,237,318		-207,095

APPENDIX B
EXTERNAL LOANS AND INTERNAL ADVANCES

	BALANCE AT 30/6/04	RECEIVED DURING THE YEAR	REDEEMED DURING THE YEAR	BALANCE AT 30/6/05
	R	R	R	R
EXTERNAL LOANS				
Local Registered Stock				
Issued				
Loan no.				
Redeemable				
1986 @ 16,50%	E21	2006	2,500,000	2,500,000
1986 @ 16,50%	E23	2006	2,500,000	2,500,000
1986 @ 16,25%	E25	2006	2,000,000	2,000,000
1990 @ 17,10%	E33	2005	544,000	-
1990 @ 17,90%	E34	2005	135,000	-
1999 @ 16,90%	E46	2011	16,000,000	16,000,000
(Refer to Note 4)	23,679,000		679,000	23,000,000
Development Bank of South Africa	37,431,585		2,230,286	35,201,299
Development Bank of South Africa (The former Local Authorities Loan Fund)	2,256,333		317,711	1,938,622
Investec Employees Benefits Limited	6,389,786		6,389,786	-
	69,756,704		9,616,783	60,139,921
Plus: Venture Capital (Public Investment Corporation)	226,947,848	29,523,531		256,471,379
(Refer to Note 4)	296,704,552	29,523,531	9,616,783	316,611,300
INTERNAL ADVANCES TO BORROWING SERVICES				
Capital Development Fund	27,835,960	14,277,224	4,485,197	37,627,986
Land Trust Fund	460,934		155,548	305,386
	28,296,894	14,277,224	4,640,746	37,933,372
(Refer to notes 26 and 27)				

APPENDIX C
ANALYSIS OF FIXED ASSETS

EXPENDITURE 2004	SERVICE	BUDGET 2005	BALANCE AT 30/6/04	EXPENDITURE 2005	WRITTEN OFF, TRANSFERRED 2005	BALANCE AT 30/6/05
R		R	R	R	R	R
	<u>Rates and General Services</u>					
3,305,583	Community Services	28,577,980	122,613,143	17,050,314	1,333,244	138,330,213
12,929	Land, Housing and Environment	495,836	89,644	4,167		93,811
	Human Resources		122,251	10,502		132,753
273,474	Community Safety, Social Services	58,344	284,187	20,143		304,330
31,280	Health Services	210,847	1,478,569	1,981,567		3,460,136
27,549	Stores	192,000	298,163	18,497		316,660
875,555	Roads and Storm Water (Municipal Works)	17,167,675	94,394,582	9,029,744		103,424,326
	Council's General Expenses		1,703,655			1,703,655
	Cleansing of Streets/Public Conveniences	512,073	498,884			498,884
45,776	Corporate Administration	113,432	1,242,403	164,657		1,407,060
	Centre for the Care of the Aged		2,870,707			2,870,707
2,951	Security	24,005	217,992	13,923		231,915
299,526	Support Services	462,272	2,509,634	413,048		2,922,682
23,715	Municipal Manager	20,709	73,816			73,816
110,190	Finance and Tenders	388,900	9,217,391	185,596		9,402,987
	Swimming Pools	12,748	548,254	607		548,861
1,333,244	Estates		4,784,033		1,333,244	3,450,789
52,080	Traffic Services	304,007	1,980,410	138,570		2,118,980
	Community Services					
217,314	Economic Development, Tourism and Agriculture	8,615,132	298,568	5,069,293		5,367,861
6,225,192	Subsidised Services	18,445,795	86,964,598	12,121,440		99,086,038
2,313,652	Cemeteries	1,378,244	4,388,112	1,906,251		6,294,363
396,267	Libraries	2,228,844	1,429,364	1,331,335		2,760,699
1,132,024	Fire Brigade	2,287,499	7,691,646	1,847,754		9,539,400
	Bus Terminus	707,620	6,749,904			6,749,904
1,093,716	Civic Buildings	2,877,940	51,880,046	2,544,821		54,424,867
1,289,533	Parks and Recreation	8,965,648	14,825,526	4,491,279		19,316,805
12,722,432	Economic Services	30,725,352	89,505,609	6,492,778	14,705	95,983,682
17,670	Licensing	1,346,063	3,614,720	10,602		3,625,322
106,443	Solid Waste Management	1,323,028	4,544,091	590,047		5,134,138
12,542,075	Sewerage	27,349,234	72,616,112	5,667,429	14,705	78,268,836
31,574	Regional Dumping Site	120,480	3,361,456	173,332		3,534,788
	Parking Meters		2,030,032			2,030,032
24,670	Holiday Resorts	586,547	3,339,198	51,368		3,390,566

<u>APPENDIX C (CONTINUED)</u> <u>ANALYSIS OF FIXED ASSETS</u>						
EXPENDITURE 2004	SERVICE	BUDGET 2005	BALANCE AT 30/06/04	EXPENDITURE 2005	WRITTEN OFF, TRANSFERRED 2005	BALANCE AT 30/6/05
R		R	R	R	R	R
	Housing Services		51,890			51,890
	Ambulance Services		949			949
36,876,002	<u>Trading Services</u>	48,780,291	239,771,444	32,881,620	74,135	272,578,929
5,372,264	Electricity	12,552,744	71,970,533	5,203,824	20,680	77,153,677
31,503,738	Water	34,227,547	167,800,911	27,528,923	53,455	195,276,379
	Toll Roads					
	Fresh Produce Market	2,000,000		148,873		148,873
59,129,209	Sub-total	126,529,418	538,907,633	68,546,152	1,422,084	606,031,701
1,130,600	Plus: Capital Outlay - Land Development Account		85,624,805	1,684,168	4,992,651	82,316,322
60,259,809		126,529,418	624,532,438	70,230,320	6,414,735	688,348,023
	Plus: Deferred Charges.					
60,259,809	Total Fixed Assets	126,529,418	624,532,438	70,230,320	6,414,735	688,348,023
	Less: Loans redeemed and other capital receipts		468,340,393	92,362,156	27,572,755	533,129,794
	Loans redeemed and advances repaid		169,675,357	39,407,188	27,483,915	181,598,630
	Contributions from operating income		38,153,266	1,592,564		39,745,830
	Grants		246,956,582	46,369,754	88,840	293,237,496
	Leasing		2,790,985			2,790,985
	Funds		10,764,203	4,992,650		15,756,853
			156,192,045	(22,131,836)	21,158,020	155,218,229

APPENDIX D ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2005			
ACTUAL 2004		ACTUAL 2005	BUDGET 2005
R		R	R
	<u>INCOME</u>		
39,165,135	Government and Provincial Grants and Subsidies	59,900,876	63,876,223
262,201,017	Income from tariffs, service charges, etc.	267,519,484	297,621,353
301,366,152		327,420,360	361,497,576
	<u>EXPENDITURE</u>		
102,184,147	Salaries, Wages and Allowances	123,841,561	120,356,186
185,863,825	General Expenses	232,318,420	248,401,293
18,616,460	Repairs and Maintenance	16,212,070	23,062,284
13,529,570	Capital Charges	15,991,168	17,341,598
1,200,347	Contribution to Fixed Assets	1,592,564	2,052,200
6,626,452	Contributions	6,240,000	23,323,528
328,020,801	GROSS EXPENDITURE	396,195,783	434,537,089
47,515,830	Less: Amounts charged out	63,400,203	73,072,346
280,504,971	NET EXPENDITURE	332,795,580	361,464,743

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APPENDIX E DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2005							
2004 ACTUAL INCOME	2004 ACTUAL EXPENDITURE	2004 SURPLUS/ (DEFICIT)		2005 ACTUAL INCOME	2005 ACTUAL EXPENDITURE	2005 SURPLUS/ (DEFICIT)	2005 BUDGETED SURPLUS/ (DEFICIT)
R	R	R		R	R	R	R
101,967,080	74,111,302	27,855,778	RATES AND GENERAL SERVICES	117,361,451	89,735,932	27,625,519	20,001,965
48,001,993	309,144	47,692,849	Community Services	61,158,578	392,599	60,765,979	54,110,845
849,540	2,601,848	(1,752,308)	Assessment Rates	258,963	1,891,456	(1,632,493)	(482,541)
	730,150	(730,150)	Civic Buildings		918,348	(918,348)	(858,889)
	3,842,997	(3,842,997)	Cleansing of Streets and Cleaning Depot		5,231,692	(5,231,692)	(2,541,260)
	13,386	(13,386)	Community Safety				
59	888,927	(888,868)	Community Services	721		721	300
55,736	2,700,948	(2,645,212)	Corporate Administration	9,126		9,126	34,000
	681,262	(681,262)	Council's General Expenses		790,937	(790,937)	(1,663,556)
	2,442,893	(2,442,893)	Disaster Management		4,938,150	(4,913,470)	(5,772,046)
			Economic Development and Tourism	24,680	77,046		129,732
49,915,889	937,709	48,978,180	Estates	387,794	51,561,867	51,561,867	56,834,604
	91,787	(91,787)	Finance and Tenders	51,561,867		(95,651)	(200,975)
	1,892,957	(1,892,683)	Grants-In-Aid and Donations		95,651	(95,651)	(2,691,806)
274	5,132,764	(4,477,306)	Health Services	64,808	2,454,082	(2,389,274)	(5,874,246)
655,458	3,445,051	(3,445,051)	Land, Housing and Environment	431,781	10,032,869	(9,601,088)	(5,337,347)
	1,051,014	(1,051,014)	Mechanical Workshop		4,828,118	(4,828,118)	
	21,529,764	(20,600,089)	Municipal Manager				
929,675	9,440,017	(9,425,283)	Roads and Stormwater Drainage	1,508,678	24,924,090	(23,415,412)	(24,575,073)
14,734	330,753	(330,753)	Social Services, Arts, Culture, Parks, Recreation	7,865	11,953,098	(11,945,233)	(14,009,030)
	828,245	(828,245)	Public Conveniences		308,631	(308,631)	(1,160,473)
			Rural Development, Land, Agriculture etc.	4,900	1,483,197	(1,478,297)	(7,118,599)
			Security				
16,187	7,008,334	(6,992,147)	Support Services	186,597	9,456,365	(9,269,768)	(9,201,713)
1,527,535	8,211,352	(6,683,817)	Traffic Services	1,755,093	9,725,901	(7,970,808)	(9,619,962)
2,225,616	20,780,785	(18,555,169)	Subsidised Services	2,711,269	23,096,778	(20,385,509)	(30,158,595)
26,214	738,978	(712,764)	Bus - and Taxi Terminus	25,395	775,056	(749,661)	(902,754)
318,155	2,292,787	(1,974,632)	Cemeteries	552,641	2,657,193	(2,104,552)	(3,196,649)
408,280	2,043,010	(1,634,730)	Civic Buildings	85,228	1,946,951	(1,861,723)	(2,390,664)
1,339,000	2,515,117	(1,176,117)	Clinics - Health	1,114,569	3,246,319	(2,131,750)	(4,313,373)
92,926	6,655,116	(6,562,190)	Fire Brigade	630,020	8,104,979	(7,474,959)	(10,562,795)
10,566	1,577,777	(1,567,211)	Libraries	20,806	1,782,774	(1,761,968)	(1,877,788)
22,399	4,638,084	(4,615,685)	Social Services, Arts, Culture, Parks, Recreation	282,610	4,424,112	(4,141,502)	(6,428,692)
8,076	319,916	(311,840)	Railway Feeder Lines		159,394	(159,394)	(485,880)
42,802,396	33,269,837	9,532,559	Economic Services	43,596,095	36,760,865	6,835,230	(1,578,169)
1,417,040	4,134,118	(2,717,078)	Holiday Resorts	1,822,412	4,017,707	(2,195,295)	(2,785,642)
4,559,619	2,755,522	1,804,097	Licensing	4,018,894	3,002,546	1,016,348	2,854,746
	349,335	(349,335)	Parking Meters		326,954	(326,954)	(213,660)
1,605,407	915,571	689,836	Regional Dumping Site	1,012,012	1,171,716	(159,704)	(410,438)
18,019,124	10,117,846	7,901,278	Sewerage	22,104,405	12,041,941	10,062,464	1,894,010
17,201,206	14,997,445	2,203,761	Solid Waste Management	14,638,372	16,200,001	(1,561,629)	(2,917,185)

APPENDIX E (CONTINUED) DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2005							
2004 ACTUAL INCOME	2004 ACTUAL EXPENDITURE	2004 SURPLUS/ (DEFICIT)		2005 ACTUAL INCOME	2005 ACTUAL EXPENDITURE	2005 SURPLUS/ (DEFICIT)	2005 BUDGETED SURPLUS/ (DEFICIT)
R	R	R		R	R	R	R
	1,023,398	(1,023,398)	HOUSING SERVICES		1,145,414	(1,145,414)	(1,539,940)
	1,023,398	(1,023,398)	Sub-Economic Housing		1,145,414	(1,145,414)	(1,539,940)
154,371,060	151,319,649	3,051,411	TRADING SERVICES	163,751,545	182,056,591	(18,305,046)	13,307,572
116,429,817	98,195,938	18,233,879	Electricity	118,158,716	116,697,679	1,461,037	2,952,728
37,941,243	53,123,711	(15,182,468)	Water	45,592,829	65,358,912	(19,766,083)	10,596,614
			Fresh Produce Market				(241,770)
301,366,152	280,504,971	20,861,181	TOTAL	327,420,360	332,795,580	(5,375,220)	32,833
		<u>(29,037,329)</u>	Appropriations for the year (Refer to note 17)			<u>(20,098,221)</u>	
		(8,176,148)	Net surplus/(deficit) for the year			<u>(25,473,441)</u>	
		<u>(83,419,851)</u>	Accumulated surplus/(deficit) at the beginning of the year			<u>(91,595,999)</u>	
		<u>(91,595,999)</u>	Accumulated surplus/(deficit) at the end of the year			<u>(117,069,440)</u>	